The Paper Column

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Act Authorization Date Change on Series of 1907 $10 Gold Certificates

Figure 1. Series of 1907 $10 Napier-Thompson gold certificates with an act authorization date of July 12, 1882, above the large orange X. The act was changed to March 4, 1907, beginning in January, 1913, because the 1907 act authorized the use of $10 gold certificates for the first time in U. S. history. Don't confuse the act date with the series date that appears under each serial number. Heritage Auction archives photo.

Overview and Purpose

Series of 1907 $10 notes carry an act authorization date that was part of the intaglio face plates. It appears in fine print above the orange X overprinted on the left side of the faces. The act date was changed in January, 1913, from July 14, 1882, to March 4, 1907. This article will explain the reason for the change and the varieties that came about. The change was made during the period when plates bearing both the Napier-McClung and Napier-Thompson Treasury signature combinations were being made and while the two combinations were in simultaneous production.

The Napier-McClung/Napier-Thompson era under consideration comprises the most interesting and complex period in the production history of the $10 Series of 1907 gold certificates, not only in terms of the varieties that were created but also the nuances attending their manufacture.

Gold Certificate Authorizations

Section 12 buried in the Act of July 12, 1882, that otherwise provided for a first 20-year corporate extension of national banks, was the foot in the door for the hard money Republicans to move the country toward a gold standard. Section 12 authorized the issuance of gold certificates, a compromise attached to the bill that won sufficient Republican votes to allow it to pass.

The hard money faction, which spoke primarily for the interests of the eastern moneyed establishment, considered national bank currency to be soft inflationary money because it was backed by and redeemable in legal tender notes, which were nothing more than fiat money representing circulating Civil War debt. Mostly western and southern interests favored legal tender currency and national bank notes because they felt the lack of availability of money constrained their largely agrarian economies, thus driving up interest rates that benefited eastern bankers.

Tension over this issue had raged in Congress since the Civil War when first legal tender and next national bank currency was introduced. The hard money faction managed to place a cap of $300,000,000 on the circulation of legal tender notes in the act passed January 14, 1875, that provided for the resumption of specie payments by the Treasury following the war. Thereafter, the Treasury began to redeem legal tender notes from circulation as fast as they reached the Treasury until they could be drawn down to the $300,000,000 cap.

The soft money faction responded by winning passage of an Act dated May 31, 1878, that prevented further legal tender redemptions. This froze the circulation of legal tender notes at $346,681,016 on the day the act passed.

When 1882 came along, the hard money faction dragged their feet on passage of any measure that would allow national bankers to extend their charters. If the bankers couldn't extend, national banking would eventually vanish by 1904, which would take the soft national currency with it. The soft money crowd had a strong incentive to compromise, thus the provision for gold notes attached to the 1882 Act.

The Republicans gained the upper hand in Congress in 1900 and passed the Gold Standard Act of March 14, 1900. Section 6 reiterated the provisions authorizing the issuance of gold certificates built into the 1882 act. Of particular concern to this discussion, the lowest denomination gold certificates authorized were $20s.

The Act of March 4, 1907, was passed to address a chronic shortage of low denomination currency in circulation, which was defined as notes of $10 or less. One provision in the act was the authorization of the first ever $10 gold certificates. These came out as the Series of 1907 $10s. They comprised the largest fraction of $10 Treasury currency during the next decade. Specifically, between July 1, 1907, and June 30, 1916, Treasury $10s consisted of Series of 1901 legal tender notes, Series of 1907 gold certificates and Series of 1908 silver certificates. Those issues respectively accounted for 39,102,000, 99,276,800 and 8,081,000 notes. Clearly, the gold certificates were dominant.

This brings us to the act authorization date on the faces of the $10 Series of 1907 notes, and why it was changed.

Act Authorization Dates on 1907 $10s

Originally, the act authorization date that was displayed was July 12, 1882, because the 1882 act authorized the issuance of gold certificates. However, sometime around the end of 1912, someone in the Treasury thought there was a technical disconnect in using the 1882 act date because $10 gold certificates were specifically authorized in the 1907 act. It seemed more appropriate to use the 1907 act date on the $10s.

The Bureau of Engraving and Printing began putting the 1907 act date on the Series of 1907 $10 face plates in January 1913. Existing plates with the 1882 date were altered to carry the new date with the first of them being recertified on January 18. New plates with the 1907 date began to be certified January 24.

This change ushered in the most interesting varieties found in the entire $10 Series of 1907 gold certificates. Two factors came into play. The act authorization dates on existing plates were altered, thereby creating the opportunity for pairs of notes from the same plate to bear different dates. Also, the change happened to occur when the Bureau was engaged in printing token numbers of notes bearing the short-lived Napier-Thompson Treasury signature combination in the midst of on-going Napier-McClung production, thereby catching both the Napier-McClung and Napier-Thompson plates up in the change. Consequently, to add icing to the cake, not only were they altering the act dates on the existing plates, they also were altering some plates that originally bore McClung's signature to that of Thompson.

Table 1 is a complete list of all the $10 Series of 1907 Napier-McClung plates that were made. Sprinkled among them are all the Napier-Thompson plates.

Table 1. Complete list of $10 Gold Certificate Series of 1907 Napier-McClung and Napier-Thompson face plates showing which carried 1882 and 1907 act authorization dates on their upper left sides.

Data from Bureau of Engraving and Printing (1863-1980 and 1910-1914).

		Napier-McClung	
Pl Ser	Tr Pl No	Act of 1882	Act of 1907
203[1]	34814	X	
207[1]	34883	X	
208[1]	34895	X	
209[1]	34902	X	
212	34923	X	
213	34930	X	
214	35745	X	X
215	35757	X	
216	35788	X	
217	35816	X	
218	35839	plate not finished	
219	35866	X	
220	35867	X	
221	35917	X	
222	35918	X	
223	35919	X	
224	35947	X	
225	35948	X	
226	36309	X	
227	36317	X	
228	36318	X	
229	36329	X	
230	36343	X	
231	36344	X	
232	36345	X	
233	36346	X	
234	36372	X	
235	36373	X	
236	36374	X	
237	36375	X	
238	36386	X	
239	36387	X	
240	36388	X	
241	36389	X	
242	36492	X	
243	36493	X	
244	36494	X	
245	36495	X	
246	36508	X	
247	36509	X	
248	36532	X	
249	36533	X	
250	36550	X	
251	36551	X	
252	36575	X	
253	36576	X	
254	36602	X	
255	36603	X	
256	36639	X	
257	36640	X	
258	36641	X	
259	36642	X	
260	36662	X	
261	36663	X	
262	36680	X	
263	36681	X	
264	37990	X	
265	37991	X	
266	38000	X	
267	38001	X	
268	38006	X	
269	38007	X	
270	38026	X	
271	38027	X	
272	38314	X	
273	38315	X	
274	38316	X	
275	38317	X	
276	38331	X	

		Napier-McClung		Napier-Thompson	
Pl Ser	Tr Pl No	Act of 1882	Act of 1907	Act of 1882	Act of 1907
277	38332	X			
278	38342	X			
279	38343	X	X		
280	38355	X			
281	38356	X			
282	38357	X			
283	38358	X			
284	39442	X			
285	39443	X	X		
286	39711	X	X		
287	39712	X	X		
288	39738	X			
289	39739	X	X		
290	39762	X	X		
291	39763	X	X		
292	39773	X	X		
293	39774	X	X		
294	39800	X	X		
295	39801			X	X
296	39813			X	X
297	39814			X	X
298	39840			X	X
299	39841			X	X
300	39880	X	X		
301	39881	X	X		
302	39924	X	X		
303	39925	X	X		
304	39974	X - not used	X		
305	39975	X - not used	X		
306	39988	X - not used	X		
307	39989	X - not used	X		
308	39990			X - not used	X
309	39991			X - not used	X
310	40010	X - not used	X		
311	40011	X - not used	X		
312	40012	X	X - not used		
313	40013	X - not used	X		
314	40018	X - not used	X		
315	40019	X - not used	X		
316	40020	X - not used	X		
317	40021	X - not used	X		
318	40029		X		
319	40030	X - not used	X		
320	40046	X - not used	X - not used		X
321	40047	X - not used	X - not used		X
322	40053	X	X		
323	40054		X		
324	40388		X		
325	40389		X		
326	40399		X		
327	40400		X		
328	40401		X		
329	40402		X		
330	40407		X		
331	40408		X		
332	40409		X		
333	40410		X		
334	40416		X		
335	40417		X		
336	40436		X		
337	40437		X		
338	40459		X		
339	40460		X		
340	40484		X		
341	40485		X		
342	40491		X		
343	40492		X		
344	40668				X
345	40669				X

1. Signatures on plates 203, 207, 208 and 209 were altered from Vernon-McClung to Napier-McClung. Notes were printed from both configurations.

Figure 2. Pair of Napier-McClung Series of 1907 $10 notes from plate 287 assembled by Doug Murray where B41732183 carries a 1907 act date and B43751663 an 1882 act date. The serial numbers are in reverse order of when the faces were printed revealing that BEP personnel were unconcerned about the order in which the stock was numbered. Doug Murray photo.

In order to get some Napier-Thompson plates into production in a hurry, five plates—numbers 295-299—that were in the process of being made with Napier-McClung signatures were altered to carry Thompson's signature on November 26, 1912, four days after Thompson was appointed. Those plates were pressed into production during the first week of December 1912.

Let's first explain the special circumstances revolving around the Napier-McClung/Napier-Thompson plates, then we'll examine the varieties that came about. The following section is abridged from Huntoon (2019).

Changing of the Guard

Republican President William Howard Taft served from March 4, 1909, to March 4, 1913. On November 5, 1912, Democrat Woodrow Wilson won election by defeating Taft and Bull Moose (Progressive) candidate Theodore Roosevelt. Wilson's victory meant changes were coming to the top echelon of the Treasury Department when he took office in March 1913. However, a change occurred before then. Treasurer Lee McClung resigned on November 14, 1912, and his resignation became effective November 21st.

This saddled Taft with the responsibility of appointing a short-term Treasurer for the duration of his term. As a convenience, he chose Carmi A. Thompson, his secretary, to fill the position effective November 22nd.

BEP Director Ralph suddenly was faced with a signature change on the currency, but that signature would be current only for four months. To say the least, this was a managerial nuisance. This was not the type of hassle a man such as Ralph appreciated, especially when he knew it was going to happen again in four months. Here is how Ralph dealt with Thompson's signature on Treasury currency (Ralph, 1912).

Memorandum for Assistant Secretary [Robert O.] Bailey

Your attention is respectfully called to the unusual features relative to the changing of the engraved signatures of the United States Treasurer on United States notes and gold and silver certificates arising out of the recent appointment of Mr. Carmi Thompson as United States Treasurer, whereas in a little more than three months another person will undoubtedly take the office under the new administration. The custom for years required the United States notes and certificates to bear the engraved signatures of the United States Treasurer. A careful examination of the statutes fails to find a law requiring engraved signatures on United States notes and gold and silver certificates, but it is statutory on Treasury notes, coupon and registered bonds and National-bank notes.

The Act approved December 23, 1857, (11th Stats. at L., page 257, Section 3) provides that Treasury notes shall be signed in behalf of the United States by the Treasurer thereof, and countersigned by the Register of the Treasury. This was reaffirmed in the Act approved February 25, 1863, (12th Stats. at L., page 346, Section 3), and also extended the signatures to coupon or registered bonds, authorized by the Act.

The Act of February 25, 1863, (12th Stats. at L., page 670, Section 18) requires that National-bank notes be attested by the written or engraved signatures of the Treasurer of the United States, and the Register of the Treasury.

The printed stock of paper money on hand in the course of completion is sufficient to last about thirty days and the completed engraved plates on hand will produce a printed stock to last at least sixty days. Under ordinary circumstances, all new plates required to be engraved would bear the signature of the newly appointed Treasurer and old plates would be altered as soon as practicable, and deliveries of the new stock would commence about three months after the new Treasurer was inducted into office. If the usual practice be followed, Mr. Thompson's term would almost be ended before any notes bearing his signature are delivered. There are on hand 535 face plates of United States notes and certificates. The cost of altering them, together with the expenses incidental thereto, will amount to about $10,000.

However, if deemed desirable to deliver some notes with the new signature and at an earlier date, a few plates could be altered immediately of each denomination, printing therefrom started at once, and deliveries commenced by about January 1, 1913. I would suggest that, if this plan be adopted, about 20 plates of $1 silver certificates, and 5 plates each of $2, $5, and $10 silver certificates, $5, $10 and $20 United States notes and $10 and $20 gold certificates be altered. About 40,000 sheets of notes and certificates with Mr. Thompson's signature could be delivered daily from January 1 1913, to March 4, 1913, with little additional expense to this Bureau but with considerable inconvenience in keeping the stock of the two signatures separate in the printing, examining, and numbering and sealing divisions. These stamps [sic] would commence with a new series of numbers, beginning with number one for each denomination of each class.

I would suggest that a conference between yourself, the Treasurer and myself be held upon this subject.

Respectfully,
J. E. Ralph
Director

Ralph was attempting to insulate the Bureau as much as possible from dealing with Thompson's signature, primarily by making the case that there were extensive work and costs involved, knowing the appointed Republican administrators in the Treasury Department would flinch at the costs. He softened them up by pointing out that there really wasn't anything in the laws that required Treasury signatures to appear on the notes. Instead, displaying the signatures was a custom inherited from the past. The subtle point being pressed was that the signatures really didn't matter.

If Ralph could get the Secretary of the Treasury's office to sign off on his proposal, and they did, he gave himself license to make token numbers of Napier-Thompson plates, get some of those notes over to Treasury, and be done with the matter. This is exactly what he did,

In the meantime, all the production lines for the high-volume, low-denomination notes continued uninterrupted using now-obsolete Napier-McClung plates including the 1907 $10 gold certificates. Not only that, the Bureau siderographers continued to manufacture new Napier-McClung plates at the same time they were producing the token Napier-Thompson plates. Furthermore, they continued to make Napier-McClung plates long after production of the last of the Napier-Thompson plates was but a memory.

It was the practice during this era for the Bureau to continue to use plates with obsolete signatures until they wore out, but as expeditiously as possible to make new plates or alter some of the old to carry the

Figure 3. Proof from the Napier-Thompson plate 345 where the siderographer forgot to roll in the March 4, 1907, act date on all four positions. Notes were printed from the plate before the error was discovered and repaired. Normal notes were printed from it after the repair. None of the error notes have been reported. National Numismatic collection photo.

new combination. The production from both were carefully segregated and serial numbered separately. New prefix letters usually were assigned to the serial numbers on the notes with the new combination and numbering of those blocks began at 1. Therefore, in keeping with protocol, B-prefixes were used for the Napier-McClung serials and D for the Napier-Thompsons on the $10 Series of 1907 gold certificates.

When the smoke cleared, a total of only 2,276,000 Napier-Thompson $10 Series of 1907 gold certificates were made, split 800,000 with Act of 1882 and 1,476,000 with Act of 1907 dates. In contrast there were 33,436,000 Napier-McClung's.

Face Plate Varieties

The first Napier-McClung 1907 $10 gold certificate face plate was certified July 7, 1911; the last March 10, 1913. The last notes were printed from them on December 26, 1913. In contrast, the range of certification dates for the eleven token Napier-Thompson plates was December 2, 1912-April 3, 1913, with last use being May 6, 1913.

When it came to changing the act approval date on the 1907 $10 GCs, the magic date turned out to be January 18, 1913. Several existing worn plates—both Napier-McClung and Napier-Thompson—that had been pulled for reentry were simultaneously altered to carry the new date and recertified for use on the 18th. Thereafter, as other plates showed wear and were rotated off the presses for reentry, they were similarly altered.

New plates with both signature combinations beginning with those certified on January 24th or later were made with the new date.

The data on Table 1 reveal the following:

- both act dates occur on Napier-McClung and Napier-Thompson notes,
- both act dates occur on issued notes from Napier-McClung plates 214, 279, 285-287, 289-294, 300-303 and 322,
- both act dates occur on issued notes from Napier-Thompson plates 295-299.

Plates 320 and 321 are particularly interesting because they were made with Napier-McClung signatures with an 1882 act approval date. Next, the date was altered to 1907. Finally, McClung's signature was altered to Thompson. This presented the possibility that both plates could have produced three varieties. Sadly, for variety collectors, no printings were made from the two Napier-McClung configurations.

The most fun of all the plates on Table 1 is Napier-Thompson plate 345. When siderographer Walter Doxen was making the plate, he accidentally failed to roll in the 1907 act authorization date and BEP Director Ralph signed off on it April 3, 1913. The mistake eventually was caught, the plate repaired and recertified April 21st. In the meantime, the plate had been sent to press from April 5th to April 18th.

After the repair, it served from April 22nd to May 6th. No notes with the omission have been recognized and reported. Perhaps you have one.

The updating of the act approval date was an exercise in dotting an i from the perspective of BEP Director Ralph and his operation. The alteration of the date on existing plates was carried out over a two-and-a-half-month period. During that time, notes with both act dates were being printed with both Napier-McClung and Napier-Thompson signatures. Great care was taken to segregate the production into two streams based on the signature combinations. However, no attention was paid to the act approval dates on the stock, so a mix of the 1882 and 1907 dates were being processed together in both streams. Consequently, you can readily find notes with 1882 act approval dates with higher serial numbers than on those with 1907 dates in both signature combinations. If you could locate runs of consecutive uncirculated notes, you even could find changeover pairs between the dates.

Doug Murray assembled the pair show on Figure 2, which is an ultimate oddity. This pair from the same plate exhibits the 1882 act approval date on the note with the higher serial number. Obviously, a bypassed stockpile of sheets with the 1882 date was fed into the Napier-McClung stream for serial numbering after plate 287 had been altered to carry the 1907 date and notes began to be printed from it. It takes a dedicated variety specialist to recognize and corral a pair like this!

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